GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:3339
ANSWERED ON:15.04.2008
RESERVATION FOR SMALL SCALE INDUSTRIES
Murmu Shri Hemlal

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government proposes to give reservation to small scale industries in its purchase as reported in Dainik Jagran dated March 16, 2008;

(b) if so, the facts of the matter reported therein;

(c) if so, the reaction of the Government thereto;

(d) whether the Government has prepared any list of small scale industries for granting them reservation under the said scheme; and

(e) if so, the details thereof, State and Union Territory-wise?

Answer

MINISTER OF MICRO, SMALL & MEDIUM ENTERPRISES(SHRI MAHABIR PRASAD)

(a) to (c) The Government is currently implementing a non-statutory purchase and price preference policy for Micro and Small Enterprises (MSEs) applicable for the purchases to be effected by the Ministries/Departments/CPSUs of the Government of India. Besides offering the facility of availability of free tender sets, exemption from the requirement of Earnest Money Deposit (EMD) and waiver of the security deposit up to the extent of capacity assessment registered with the National Small Industries Corporation (NSIC), the policy provides a price preference up to 15% and reservation of 358 products for exclusive purchase from MSEs. Section 11 of the Micro, Small and Medium Enterprises Development Act, 2006 enables the Government of India and the State Governments, as the case may be, to frame appropriate procurement preference policies for the purchases to be effected by the respective Ministries/Departments/Public Sector Undertakings, etc.

(d) No, Sir.

(e) Does not arise.